

**ARIZONA CORPORATION COMMISSION**  
**UTILITIES DIVISION**

**ANNUAL REPORT MAILING LABEL – MAKE CHANGES AS NECESSARY**

**W-01809A**

**Lakewood Water Company**

**P.O. Box 733**

**Amado, AZ 85645**

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**RECEIVED**

MAY 16 2006

AZ CORPORATION COMMISSION  
DIRECTOR OF UTILITIES

**ANNUAL REPORT**

**FOR YEAR ENDING**

12	31	2005
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FOR COMMISSION USE

ANN04	05
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Entered  
S-16-06  
RF

## COMPANY INFORMATION

**Company Name (Business Name)** \_\_\_\_\_ Lakewood Water Company \_\_\_\_\_

**Mailing Address** \_\_\_\_\_ 28790 S. Nogales Hwy \_\_\_\_\_  
(Street)

Amado  
(City)

Arizona  
(State)

85645  
(Zip)

520-398-9815

Telephone No. (Include Area Code)

520-398-9815

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

**Email Address** \_\_\_\_\_

**Local Office Mailing Address** \_\_\_\_\_ 28790 S Nogales Hwy – P.O. Box 733 \_\_\_\_\_  
(Street)

Amado  
(City)

Arizona  
(State)

85645  
(Zip)

520-398-9815

Local Office Telephone No. (Include Area Code)

520-398-9815

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

**Email Address** \_\_\_\_\_

## MANAGEMENT INFORMATION

**Management Contact:** \_\_\_\_\_ Christopher W. Hill \_\_\_\_\_  
(Name) (Title)

P.O. Box 70022  
(Street)

Tucson  
(City)

Arizona  
(State)

85737  
(Zip)

520-297-2185

Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

**Email Address** \_\_\_\_\_

**On Site Manager:** \_\_\_\_\_ David D. Linn \_\_\_\_\_  
(Name)

28790 S. Nogales Hwy  
(Street)

Amado  
(City)

Arizona  
(State)

85645  
(Zip)

520-398-9815

Telephone No. (Include Area Code)

520-398-9815

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

**Email Address** \_\_\_\_\_

☐ Please mark this box if the above address(es) have changed or are updated since the last filing.

**Statutory Agent:** Christopher W. Hill

(Name)

2500 W. Lambert Lane Tucson Arizona 85742  
(Street) (City) (State) (Zip)

520-297-2185 520-297-9494  
Telephone No. (Include Area Code) Fax No. (Include Area Code) Pager/Cell No. (Include Area Code)

**Attorney:** Snell & Wilmer, LLP

(Name)

1500 Northwest Tower-One S. Church St Tucson Arizona 85701-1630  
(Street) (City) (State) (Zip)

520-882-1200 520-882-1294X  
Telephone No. (Include Area Code) Fax No. (Include Area Code) Pager/Cell No. (Include Area Code)

☐ Please mark this box if the above address(es) have changed or are updated since the last filing.

### **OWNERSHIP INFORMATION**

Check the following box that applies to your company:

- |                                                 |                                                                                      |
|-------------------------------------------------|--------------------------------------------------------------------------------------|
| <input type="checkbox"/> Sole Proprietor (S)    | <input checked="" type="checkbox"/> C Corporation (C) (Other than Association/Co-op) |
| <input type="checkbox"/> Partnership (P)        | <input type="checkbox"/> Subchapter S Corporation (Z)                                |
| <input type="checkbox"/> Bankruptcy (B)         | <input type="checkbox"/> Association/Co-op (A)                                       |
| <input type="checkbox"/> Receivership (R)       | <input type="checkbox"/> Limited Liability Company                                   |
| <input type="checkbox"/> Other (Describe) _____ |                                                                                      |

### **COUNTIES SERVED**

Check the box below for the county/ies in which you are certificated to provide service:

- |                                     |                                          |                                   |
|-------------------------------------|------------------------------------------|-----------------------------------|
| <input type="checkbox"/> APACHE     | <input type="checkbox"/> COCHISE         | <input type="checkbox"/> COCONINO |
| <input type="checkbox"/> GILA       | <input type="checkbox"/> GRAHAM          | <input type="checkbox"/> GREENLEE |
| <input type="checkbox"/> LA PAZ     | <input type="checkbox"/> MARICOPA        | <input type="checkbox"/> MOHAVE   |
| <input type="checkbox"/> NAVAJO     | <input checked="" type="checkbox"/> PIMA | <input type="checkbox"/> PINAL    |
| <input type="checkbox"/> SANTA CRUZ | <input type="checkbox"/> YAVAPAI         | <input type="checkbox"/> YUMA     |
| <input type="checkbox"/> STATEWIDE  |                                          |                                   |

**UTILITY PLANT IN SERVICE**

Acct. No.	DESCRIPTION	Original Cost (OC)	Accumulated Depreciation (AD)	O.C.L.D. (OC less AD)
301	Organization	7,704	7,704	-
302	Franchises	94	24	70
303	Land and Land Rights	37,221	-	37,221
304	Structures and Improvements	22,550	7,366	15,184
307	Wells and Springs	17,078	17,078	-
311	Pumping Equipment	71,748	47,716	24,032
320	Water Treatment Equipment	-	-	-
330	Distribution Reservoirs and Standpipes	25,385	20,840	4,545
331	Transmission and Distribution Mains	84,922	71,754	13,168
333	Services	12,025	8,741	3,284
334	Meters and Meter Installations	28,141	24,411	3,730
335	Hydrants	-	-	-
336	Backflow Prevention Devices	-	-	-
339	Other Plant and Misc. Equipment	-	-	-
340	Office Furniture and Equipment	8,540	5,208	3,332
341	Transportation Equipment	1,800	527	1,273
343	Tools, Shop and Garage Equipment	2,548	1,788	760
344	Laboratory Equipment	-	-	-
345	Power Operated Equipment	606	570	36
346	Communication Equipment	-	-	-
347	Miscellaneous Equipment	-	-	-
348	Other Tangible Plant	-	-	-
	<b>TOTALS</b>	<b>320,362</b>	<b>213,727</b>	<b>106,635</b>

This amount goes on the Balance Sheet Acct. No. 108

**CALCULATION OF DEPRECIATION EXPENSE FOR CURRENT YEAR**

Acct. No.	DESCRIPTION	Original Cost (1)	Depreciation Percentage (2)	Depreciation Expense (1x2)
301	Organization	7,704	N/A	147
302	Franchises	94	.05	5
303	Land and Land Rights	37,221	-	-
304	Structures and Improvements	22,550	.05/.033	1,065
307	Wells and Springs	17,078	N/A	-
311	Pumping Equipment	71,748	.05/.125	3,841
320	Water Treatment Equipment	-	-	-
330	Distribution Reservoirs and Standpipes	25,385	.05	1,269
331	Transmission and Distribution Mains	84,922	.05	4,246
333	Services	12,025	.05/.033	556
334	Meters and Meter Installations	28,141	.05/.083	1,379
335	Hydrants	-	-	-
336	Backflow Prevention Devices	-	-	-
339	Other Plant and Misc. Equipment	-	-	-
340	Office Furniture and Equipment	8,540	.05	427
341	Transportation Equipment	1,800	.05	90
343	Tools, Shop and Garage Equipment	2,548	.05	127
344	Laboratory Equipment	-	-	-
345	Power Operated Equipment	606	.05	30
346	Communication Equipment	-	-	-
347	Miscellaneous Equipment	-	-	-
XXX	Amortization of Contributions			(939)
	<b>TOTALS</b>	<b>320,362</b>		<b>12,243</b>

This amount goes on the Comparative Statement of Income and Expense \_\_\_\_\_  
 Acct. No. 403.

**BALANCE SHEET**

Acct .No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	<b>ASSETS</b>		
	<b>CURRENT AND ACCRUED ASSETS</b>		
131	Cash	\$ 13,198	\$ 5,437
134	Working Funds	-	-
135	Temporary Cash Investments	-	-
141	Customer Accounts Receivable	4,407	4,328
146	Notes/Receivables from Associated Companies	-	-
151	Plant Material and Supplies	450	450
162	Prepayments	-	-
174	Miscellaneous Current and Accrued Assets	5,000	5,000
	<b>TOTAL CURRENT AND ACCRUED ASSETS</b>	\$ 23,055	\$ 15,215
	Provision for Uncollectible Accounts	(10,390)	(10,390)
	<b>FIXED ASSETS</b>		
101	Utility Plant in Service	\$ 306,853	\$ 320,362
103	Property Held for Future Use	-	-
105	Construction Work in Progress	-	-
108	Accumulated Depreciation – Utility Plant	(200,544)	(213,727)
121	Non-Utility Property	(6,677)	(6,677)
122	Accumulated Depreciation – Non Utility	-	-
	<b>TOTAL FIXED ASSETS</b>	\$ 99,632	\$ 99,958
	<b>TOTAL ASSETS</b>	\$ 112,297	\$ 104,783

**NOTE:** The Assets on this page should be equal to **Total Liabilities and Capital** on the following page.

**BALANCE SHEET (CONTINUED)**

Acct. No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	<b>LIABILITIES</b>		
	<b>CURRENT LIABILITES</b>		
231	Accounts Payable	\$ -	\$ -
232	Notes Payable (Current Portion)	-	-
234	Notes/Accounts Payable to Associated Companies	-	-
235	Customer Deposits	4,260	3,905
236	Accrued Taxes	5,214	4,917
237	Accrued Interest	-	-
241	Miscellaneous Current and Accrued Liabilities	-	-
	<b>TOTAL CURRENT LIABILITIES</b>	\$ 9,474	\$ 8,822
	<b>LONG-TERM DEBT (Over 12 Months)</b>		
224	Long-Term Notes and Bonds	\$ 19,227	\$ 14,925
	<b>DEFERRED CREDITS</b>		
251	Unamortized Premium on Debt	\$ -	\$ -
252	Advances in Aid of Construction	10,372	10,363
255	Accumulated Deferred Investment Tax Credits	-	-
271	Contributions in Aid of Construction	18,785	18,785
272	Less: Amortization of Contributions	(9,794)	(10,733)
281	Accumulated Deferred Income Tax	-	-
	<b>TOTAL DEFERRED CREDITS</b>	\$ 19,363	\$ 18,415
	<b>TOTAL LIABILITIES</b>	\$ 48,064	\$ 42,162
	<b>CAPITAL ACCOUNTS</b>		
201	Common Stock Issued	\$ 15,790	\$ 15,790
211	Paid in Capital in Excess of Par Value	(790)	(790)
215	Retained Earnings	49,233	47,621
218	Proprietary Capital (Sole Props and Partnerships)		
	<b>TOTAL CAPITAL</b>	\$ 64,233	\$ 62,621
	<b>TOTAL LIABILITIES AND CAPITAL</b>	\$ 112,297	\$ 104,783

## **COMPARATIVE STATEMENT OF INCOME AND EXPENSE**

Acct. No.	OPERATING REVENUES	PRIOR YEAR	CURRENT YEAR
461	Metered Water Revenue	\$ 92,954	\$ 93,218
460	Unmetered Water Revenue		
474	Other Water Revenues	1,482	2,079
	<b>TOTAL REVENUES</b>	<b>\$ 94,436</b>	<b>\$ 95,297</b>
	<b>OPERATING EXPENSES</b>		
601	Salaries and Wages	\$ 26,182	\$ 26,292
610	Purchased Water	-	-
615	Purchased Power	8,212	7,370
618	Chemicals	221	717
620	Repairs and Maintenance	2,413	2,231
621	Office Supplies and Expense	2,346	2,903
630	Outside Services	22,613	12,430
635	Water Testing	2,068	2,313
641	Rents	5,000	5,900
650	Transportation Expenses	1,511	1,791
657	Insurance – General Liability	2,187	2,076
659	Insurance - Health and Life	-	-
666	Regulatory Commission Expense – Rate Case	762	7,266
675	Miscellaneous Expense	2,626	1,839
403	Depreciation Expense	8,353	12,243
408	Taxes Other Than Income	1,952	2,333
408.11	Property Taxes	7,357	7,344
409	Income Tax	50	45
	<b>TOTAL OPERATING EXPENSES</b>	<b>\$ 93,853</b>	<b>\$ 95,093</b>
	<b>OPERATING INCOME/(LOSS)</b>	<b>\$ 583</b>	<b>\$ 204</b>
	<b>OTHER INCOME/(EXPENSE)</b>		
419	Interest and Dividend Income	\$	\$
421	Non-Utility Income		
426	Miscellaneous Non-Utility Expenses		
427	Interest Expense	(2,243)	(1,816)
	<b>TOTAL OTHER INCOME/(EXPENSE)</b>	<b>\$ (2,243)</b>	<b>\$ (1,816)</b>
	<b>NET INCOME/(LOSS)</b>	<b>\$ (1,660)</b>	<b>\$ (1,612)</b>

**SUPPLEMENTAL FINANCIAL DATA****Long-Term Debt**

	<b>LOAN #1</b>	<b>LOAN #2</b>	<b>LOAN #3</b>	<b>LOAN #4</b>
Date Issued	10-25-2000	10-25-2000		
Source of Loan	G. Buscher	V. Buscher		
ACC Decision No.	62951	62951		
Reason for Loan	Purchase Land	Purchase Land		
Dollar Amount Issued	\$18,000	\$15,000	\$	\$
Amount Outstanding	\$8,142.79	\$6613.44	\$	\$
Date of Maturity	3-1-2008	3-1-2008		
Interest Rate	10.5 %	10.5%	%	%
Current Year Interest	\$990.96	\$825.39	\$	\$
Current Year Principle	\$2344.58	\$1953.81	\$	\$

Meter Deposit Balance at Test Year End

\$3,905

Meter Deposits Refunded During the Test Year

\$1,590

**COMPANY NAME**

**WATER COMPANY PLANT DESCRIPTION**

**WELLS**

<b>ADWR ID Number*</b>	<b>Pump Horsepower</b>	<b>Pump Yield (gpm)</b>	<b>Casing Depth (Feet)</b>	<b>Casing Diameter (Inches)</b>	<b>Meter Size (inches)</b>	<b>Year Drilled</b>
55-629430	25-new 2006	175	257	10"	3"	1972
55-629431	25	250	254	14"	3"	1972

\* Arizona Department of Water Resources Identification Number

**OTHER WATER SOURCES**

<b>Name or Description</b>	<b>Capacity (gpm)</b>	<b>Gallons Purchased or Obtained (in thousands)</b>

<b>BOOSTER PUMPS</b>		<b>FIRE HYDRANTS</b>	
<b>Horsepower</b>	<b>Quantity</b>	<b>Quantity Standard</b>	<b>Quantity Other</b>

<b>STORAGE TANKS</b>		<b>PRESSURE TANKS</b>	
<b>Capacity</b>	<b>Quantity</b>	<b>Capacity</b>	<b>Quantity</b>
		5,000	2

**COMPANY NAME**

**WATER COMPANY PLANT DESCRIPTION (CONTINUED)**

**MAINS**

Size (in inches)	Material	Length (in feet)
2	<u>PVC,STEEL</u>	<u>6350</u>
3		
4	<u>A/C, C900</u>	<u>9100</u>
5		
6	<u>PVC, C900,</u> <u>A/C</u>	<u>3450</u>
8		
10		
12		

**CUSTOMER METERS**

Size (in inches)	Quantity
<u>5/8 X 3/4</u>	<u>2931</u>
<u>3/4</u>	<u>0</u>
<u>1</u>	<u>6</u>
<u>1 1/2</u>	<u>1</u>
<u>2</u>	<u>1</u>
<u>Comp. 3</u>	<u>0</u>
<u>Turbo 3</u>	<u>0</u>
<u>Comp. 4</u>	<u>0</u>
<u>Tubo 4</u>	<u>0</u>
<u>Comp. 6</u>	<u>0</u>
<u>Tubo 6</u>	<u>0</u>

**For the following three items, list the utility owned assets in each category.**

**TREATMENT EQUIPMENT:**

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**STRUCTURES:**

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**OTHER:**

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**COMPANY NAME: LAKEWOOD WATER COMPANY**

**WATER USE DATA SHEET BY MONTH FOR CALENDAR YEAR 2005**

<b>MONTH</b>	<b>NUMBER OF CUSTOMERS</b>	<b>GALLONS SOLD</b>	<b>GALLON PUMPED (Thousands)</b>
<b>JANUARY</b>	297	2,451,680	3,151.1
<b>FEBRUARY</b>	300	2,442,460	2,952.1
<b>MARCH</b>	302	3,326,570	4,294.7
<b>APRIL</b>	303	3,843,320	4,953.8
<b>MAY</b>	301	4,949,750	5,533.8
<b>JUNE</b>	302	5,403,330	6,027.7
<b>JULY</b>	300	4,614,200	5,755.9
<b>AUGUST</b>	300	3,974,035	4,433.4
<b>SEPTEMBER</b>	299	3,965,050	5,004.8
<b>OCTOBER</b>	299	3,785,025	4,617.9
<b>NOVEMBER</b>	302	3,853,590	3,586.8
<b>DECEMBER</b>	302	2,866,760	3,114.8
<b>TOTAL</b>		<b>45,475,770</b>	<b>53,427.3</b>

**Is the Water Utility located in an ADWR Active Management Area (AMA)?**

☒ **Yes**                      ☐ **No**

**Does the Company have an ADWR Gallons Per Capita Per Day (GPCPD) requirement?**

☐ **Yes**                      ☒ **No**

**If yes, provide the GPCPD amount: \_\_\_\_\_**

**What is the level of arsenic for each well on your system. \_\_\_\_\_ .0068mg/l & .0054mg/l**  
*(If more than one well, please list each separately.)*

***Note: If you are filing for more than one system, please provide separate data sheets for each system.***

COMPANY NAME LAKEWOOD WATER CO YEAR ENDING 12/31/2005

**PROPERTY TAXES**

Amount of actual property taxes paid during Calendar Year 2005 was: \$ 7343.92

Attach to this annual report proof (e.g. property tax bills stamped "paid in full" or copies of cancelled checks for property tax payments) of any and all property taxes paid during the calendar year.

If no property taxes paid, explain why. \_\_\_\_\_

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**Beth Ford**  
Pima County Treasurer



**Patti Davidson**  
Chief Deputy Treasurer

**PIMA COUNTY TREASURER'S OFFICE**

**PIMA COUNTY TAX RECEIPT**

CAYETANO INC DBA LAKEWOOD WATER CO  
ATTN: CHRISTOPHER W HILL  
PO BOX 733  
AMADO AZ 85645

**THIS IS YOUR RECEIPT FOR PAYMENT(S) OF 2005 REAL ESTATE TAXES**

BOOK	MAP	PARCEL	TOTAL TAX ASSESSED	DATE
304	32	461B	\$ 12.38	10/10/2005

PAYMENTS					
PAYMENT DATE	DESCRIPTION	TAX PAID	INTEREST PAID	FEES PAID	TOTAL
09/28/2005	FULL YEAR	\$12.38	\$0.00	\$0.00	\$12.38
	TOTAL PAID	\$12.38	\$0.00	\$0.00	\$12.38

**PROPERTY ADDRESS**

**TAX YEAR 2005 BALANCE DUE**

DESCRIPTION	AMOUNT
FIRST HALF TAX DUE	\$0.00
SECOND HALF TAX DUE	\$0.00
NSF FEE DUE	\$0.00
RECLAIMED REFUND DUE	\$0.00
TOTAL AMOUNT DUE	\$0.00

**Thank you for your payment!**

**BETH FORD**  
PIMA COUNTY TREASURER

115 North Church Avenue - Tucson, Arizona 85701-1199 - Phone (520) 740-8341 - Fax (520) 884-4809

**Beth Ford**  
Pima County Treasurer



**Patti Davidson**  
Chief Deputy Treasurer

**PIMA COUNTY TREASURER'S OFFICE**

**PIMA COUNTY TAX RECEIPT**

LAKEWOOD WATER CO  
ATTN: CHRISTOPHER W HILL  
PO BOX 733  
AMADO AZ 85645

**THIS IS YOUR RECEIPT FOR PAYMENT(S) OF 2005 REAL ESTATE TAXES**

BOOK	MAP	PARCEL	TOTAL TAX ASSESSED	DATE
304	32	4330	\$ 19.34	10/10/2005

**PAYMENTS**

PAYMENT DATE	DESCRIPTION	TAX PAID	INTEREST PAID	FEES PAID	TOTAL
09/28/2005	FULL YEAR	\$19.34	\$0.00	\$0.00	\$19.34
	TOTAL PAID	\$19.34	\$0.00	\$0.00	\$19.34

**PROPERTY ADDRESS**

**TAX YEAR 2005 BALANCE DUE**

DESCRIPTION	AMOUNT
FIRST HALF TAX DUE	\$0.00
SECOND HALF TAX DUE	\$0.00
NSF FEE DUE	\$0.00
RECLAIMED REFUND DUE	\$0.00
TOTAL AMOUNT DUE	\$0.00

**Thank you for your payment!**

**BETH FORD**  
PIMA COUNTY TREASURER

**Beth Ford**  
Pima County Treasurer



**Patti Davidson**  
Chief Deputy Treasurer

**PIMA COUNTY TREASURER'S OFFICE**

**PIMA COUNTY TAX RECEIPT**

LAKESWOOD WATER CO  
CHRISTOPHER W. HILL/PRESIDENT  
P O BOX 733  
AMADO AZ 85645

**THIS IS YOUR RECEIPT FOR PAYMENT(S) OF 2005 REAL ESTATE TAXES**

BOOK	MAP	PARCEL	TOTAL TAX ASSESSED	DATE
304	32	4320	\$ 19.34	10/10/2005

**PAYMENTS**

PAYMENT DATE	DESCRIPTION	TAX PAID	INTEREST PAID	FEES PAID	TOTAL
09/28/2005	FULL YEAR	\$19.34	\$0.00	\$0.00	\$19.34
	<b>TOTAL PAID</b>	<b>\$19.34</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$19.34</b>

**PROPERTY ADDRESS**

**TAX YEAR 2005 BALANCE DUE**

DESCRIPTION	AMOUNT
FIRST HALF TAX DUE	\$0.00
SECOND HALF TAX DUE	\$0.00
NSF FEE DUE	\$0.00
RECLAIMED REFUND DUE	\$0.00
<b>TOTAL AMOUNT DUE</b>	<b>\$0.00</b>

**Thank you for your payment!**

**BETH FORD**  
PIMA COUNTY TREASURER

115 North Church Avenue - Tucson, Arizona 85701-1199 - Phone (520) 740-8341 - Fax (520) 884-4809

**Beth Ford**  
Pima County Treasurer



**Patti Davidson**  
Chief Deputy Treasurer

**PIMA COUNTY TREASURER'S OFFICE**

**PIMA COUNTY TAX RECEIPT**

LAKEWOOD WATER CO  
CHRISTOPHER W. HILL/PRESIDENT  
P O BOX 733  
AMADO AZ 85645

**THIS IS YOUR RECEIPT FOR PAYMENT(S) OF 2005 REAL ESTATE TAXES**

BOOK	MAP	PARCEL	TOTAL TAX ASSESSED		DATE	
914	53	0000	\$ 6,960.55		10/10/2005	
PAYMENTS						
PAYMENT DATE	DESCRIPTION		TAX PAID	INTEREST PAID	FEES PAID	TOTAL
09/28/2005	FIRST HALF		\$3,480.28	\$0.00	\$0.00	\$3,480.28
	TOTAL PAID		\$3,480.28	\$0.00	\$0.00	\$3,480.28

**PROPERTY ADDRESS**

**TAX YEAR 2005 BALANCE DUE**

DESCRIPTION	AMOUNT
FIRST HALF TAX DUE	\$0.00
SECOND HALF TAX DUE	\$3,480.27
NSF FEE DUE	\$0.00
RECLAIMED REFUND DUE	\$0.00
<b>TOTAL AMOUNT DUE</b>	<b>\$3,480.27</b>

**ADDITIONAL INFORMATION**

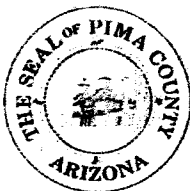
FIRST HALF TAXES ARE DUE 10/01/2005 AND DELINQUENT AFTER 11/01/2005. SECOND HALF TAXES ARE DUE 03/01/2006 AND DELINQUENT AFTER 05/01/2006. INTEREST CHARGES ACCRUE FOR PAYMENTS MADE AFTER DELINQUENCY DATES. FOR PAYMENT INFORMATION AFTER DELINQUENCY DATES, PLEASE CALL (520) 740-8341 OR VISIT [WWW.TO.PIMA.GOV](http://WWW.TO.PIMA.GOV)

***Thank you for your payment!***

**BETH FORD**  
PIMA COUNTY TREASURER

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CAYETANO INC DBA LAKEWOOD WATER CO  
PO BOX 733  
AMADO AZ 85645

**THIS IS YOUR RECEIPT FOR PAYMENT(S) OF 2005 REAL ESTATE TAXES**

BOOK	MAP	PARCEL	TOTAL TAX ASSESSED		DATE	
304	32	420C	\$ 332.31		4/4/2006	
PAYMENTS						
PAYMENT DATE	DESCRIPTION		TAX PAID	INTEREST PAID	FEES PAID	TOTAL
03/30/2006	SECOND HALF		\$166.15	\$0.00	\$0.00	\$166.15
	TOTAL PAID		\$166.15	\$0.00	\$0.00	\$166.15

PROPERTY ADDRESS

TAX YEAR 2006 BALANCE DUE

DESCRIPTION	AMOUNT
FIRST HALF TAX DUE	\$0.00
SECOND HALF TAX DUE	\$0.00
NSF FEE DUE	\$0.00
RECLAIMED REFUND DUE	\$0.00
TOTAL AMOUNT DUE	\$0.00

**Thank you for your payment!**

**BETH FORD**  
PIMA COUNTY TREASURER



**PIMA COUNTY TREASURER'S OFFICE**

**PIMA COUNTY TAX RECEIPT**

LAKEWOOD WATER CO  
CHRISTOPHER W. HILL/PRESIDENT  
P O BOX 733  
AMADO AZ 85645

**THIS IS YOUR RECEIPT FOR PAYMENT(S) OF 2005 REAL ESTATE TAXES**

BOOK	MAP	PARCEL	TOTAL TAX ASSESSED	DATE
914	53	0000	\$ 6,960.55	4/4/2006

**PAYMENTS**

PAYMENT DATE	DESCRIPTION	TAX PAID	INTEREST PAID	FEES PAID	TOTAL
03/30/2006	SECOND HALF	\$3,480.27	\$0.00	\$0.00	\$3,480.27
	TOTAL PAID	\$3,480.27	\$0.00	\$0.00	\$3,480.27

PROPERTY ADDRESS

TAX YEAR 2006 BALANCE DUE

DESCRIPTION	AMOUNT
FIRST HALF TAX DUE	\$0.00
SECOND HALF TAX DUE	\$0.00
NSF FEE DUE	\$0.00
RECLAIMED REFUND DUE	\$0.00
TOTAL AMOUNT DUE	\$0.00

***Thank you for your payment!***

**BETH FORD**  
PIMA COUNTY TREASURER

115 North Church Avenue - Tucson, Arizona 85701-1199 - Phone (520) 740-8341 - Fax (520) 884-4809

**VERIFICATION  
AND  
SWORN STATEMENT  
Taxes**

**RECEIVED**

MAY 03 2006

AZ CORP COMM  
Director Utilities

**VERIFICATION**

STATE OF ARIZONA  
I, THE UNDERSIGNED  
OF THE

COUNTY OF (COUNTY NAME) <u>PIMA</u>
NAME (OWNER OR OFFICIAL) TITLE <u>CHRISTOPHER W. HILL</u> <u>President</u>
COMPANY NAME <u>LAKEWOOD WATER CO.</u>

**DO SAY THAT THIS ANNUAL UTILITY PROPERTY TAX AND SALES TAX REPORT TO THE ARIZONA CORPORATION COMMISSION**

**FOR THE YEAR ENDING**

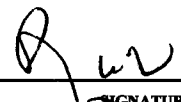
MONTH <u>12</u>	DAY <u>31</u>	YEAR <u>2005</u>
--------------------	------------------	---------------------

**HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.**

**SWORN STATEMENT**

**I HEREBY ATTEST THAT ALL PROPERTY TAXES FOR SAID COMPANY ARE CURRENT AND PAID IN FULL.**

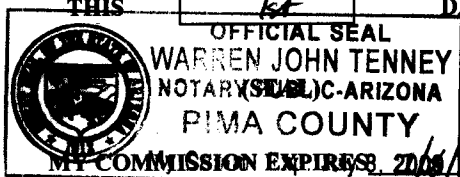
**I HEREBY ATTEST THAT ALL SALES TAXES FOR SAID COMPANY ARE CURRENT AND PAID IN FULL.**

  
SIGNATURE OF OWNER OR OFFICIAL  
520-904-0741  
TELEPHONE NUMBER


**SUBSCRIBED AND SWORN TO BEFORE ME**

**A NOTARY PUBLIC IN AND FOR THE COUNTY OF**

**THIS 1st DAY OF**



COUNTY NAME <u>Pima</u>	
MONTH <u>May</u>	20 <u>06</u>

  
SIGNATURE OF NOTARY PUBLIC

COMPANY NAME \_\_\_\_\_ LAKEWOOD WATER CO \_\_\_\_\_ YEAR ENDING 12/31/2005

**INCOME TAXES**

For this reporting period, provide the following:

Federal Taxable Income Reported	_____ \$0 _____
Estimated or Actual Federal Tax Liability	_____ \$0 _____

State Taxable Income Reported	_____ \$0 _____
Estimated or Actual State Tax Liability	_____ \$45 _____

Amount of Grossed-Up Contributions/Advances:

Amount of Contributions/Advances	_____ \$0 _____
Amount of Gross-Up Tax Collected	_____ \$0 _____
Total Grossed-Up Contributions/Advances	_____ \$0 _____

Decision No. 55774 states, in part, that the utility will refund any excess gross-up funds collected at the close of the tax year when tax returns are completed. Pursuant to this Decision, if gross-up tax refunds are due to any Payer or if any gross-up tax refunds have already been made, attach the following information by Payer: name and amount of contribution/advance, the amount of gross-up tax collected, the amount of refund due to each Payer, and the date the Utility expects to make or has made the refund to the Payer.

**CERTIFICATION**

The undersigned hereby certifies that the Utility has refunded to Payers all gross-up tax refunds reported in the prior year's annual report. This certification is to be signed by the President or Chief Executive Officer, if a corporation; the managing general partner, if a partnership; the managing member, if a limited liability company or the sole proprietor, if a sole proprietorship.

  
\_\_\_\_\_  
SIGNATUREMAY 14, 2006  
\_\_\_\_\_  
DATECHRISTOPHER W. HILL  
\_\_\_\_\_  
PRINTED NAMEPresident  
\_\_\_\_\_  
TITLE

LAKWOOD WATER CO.

VERIFICATION  
AND  
SWORN STATEMENT  
Intrastate Revenues Only

RECEIVED

MAY 03 2006

AZ CORP COMM  
Director Utilities

VERIFICATION

STATE OF ARIZONA

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME) <u>PIMA</u>
NAME (OWNER OR OFFICIAL) TITLE <u>CHRISTOPHER W. HILL, President</u>
COMPANY NAME <u>LAKWOOD WATER CO</u>

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2005

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENT OF TITLE 40, ARTICLE 8, SECTION 40-401, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS DURING CALENDAR YEAR 2005 WAS:

Arizona Intrastate Gross Operating Revenues Only (\$)

\$ 95,296.63

(THE AMOUNT IN BOX ABOVE

INCLUDES \$ 5,506.30

IN SALES TAXES BILLED, OR COLLECTED)

\*\*REVENUE REPORTED ON THIS PAGE MUST INCLUDE SALES TAXES BILLED OR COLLECTED. IF FOR ANY OTHER REASON, THE REVENUE REPORTED ABOVE DOES NOT AGREE WITH TOTAL OPERATING REVENUES ELSEWHERE REPORTED, ATTACH THOSE STATEMENTS THAT RECONCILE THE DIFFERENCE. (EXPLAIN IN DETAIL)

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS

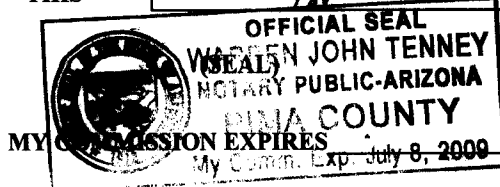
1st

DAY OF

SIGNATURE OF OWNER OR OFFICIAL  
520-904-0797  
TELEPHONE NUMBER

COUNTY NAME	<u>Pima</u>
MONTH	<u>May</u>
	<u>2006</u>

SIGNATURE OF NOTARY PUBLIC



7/8/2009

**VERIFICATION  
AND  
SWORN STATEMENT  
RESIDENTIAL REVENUE  
INTRASTATE REVENUES ONLY**

**RECEIVED**

MAY 03 2006

VERIFICATION

AZ CORP COMM  
Director Utilities

STATE OF ARIZONA

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME) <u>PIMA</u>	
NAME (OWNER OR OFFICIAL) <u>CHRISTOPHER W. HILL</u>	TITLE <u>President</u>
COMPANY NAME <u>LAKEWOOD WATER CO.</u>	

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2005

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

**SWORN STATEMENT**

IN ACCORDANCE WITH THE REQUIREMENTS OF TITLE 40, ARTICLE 8, SECTION 40-401.01, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS RECEIVED FROM RESIDENTIAL CUSTOMERS DURING CALENDAR YEAR 2005 WAS:

ARIZONA INTRASTATE GROSS OPERATING REVENUES

\$ 93,271.63

(THE AMOUNT IN BOX AT LEFT  
INCLUDES \$ 5,506.30  
IN SALES TAXES BILLED, OR COLLECTED)

**\*RESIDENTIAL REVENUE REPORTED ON THIS PAGE  
MUST INCLUDE SALES TAXES BILLED.**

\_\_\_\_\_  
SIGNATURE OF OWNER OR OFFICIAL

520-904-0741  
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

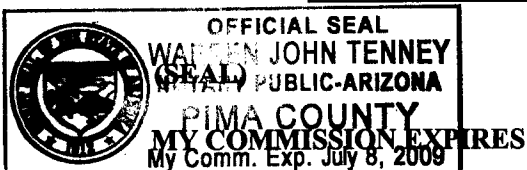
A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS

1st

DAY OF

NOTARY PUBLIC NAME <u>Warren John Tenney</u>	
COUNTY NAME <u>Pima</u>	
MONTH <u>May</u>	.20 <u>06</u>



X

\_\_\_\_\_  
SIGNATURE OF NOTARY PUBLIC